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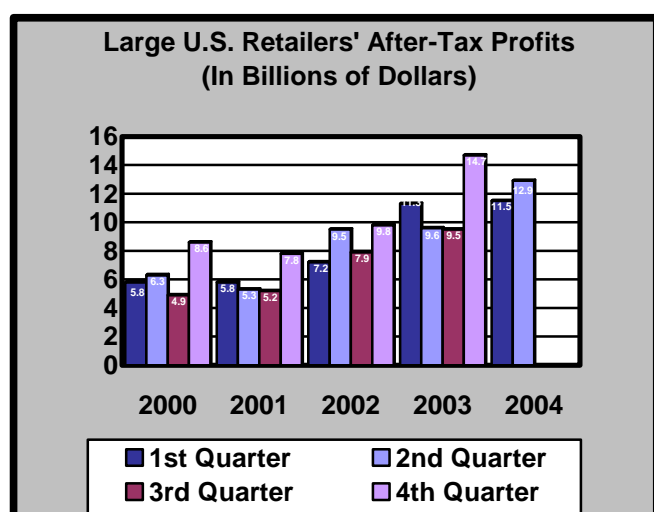
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**SECOND QUARTER 2004 ADVANCE DATA FROM THE QUARTERLY FINANCIAL REPORT
LARGE U.S. RETAIL TRADE CORPORATIONS**



EXPLANATORY NOTES:

These data are based on quarterly financial reports obtained from approximately 500 corporations. More detailed information on the retail trade sector for the second quarter 2004 will be published in the Quarterly Financial Report for Manufacturing, Mining, and Trade Corporations - Third Quarter 2004, scheduled for release on December 14, 2004.

SAMPLING

The data presented in this report are estimated from a sample survey and therefore are subject to sampling variability as well as nonsampling variability such as response error, nonreporting, and coverage errors. Estimates of sampling variability are presented in the publication. A statement such as "up 2.5 (± 0.2) cents", appearing in the text, indicates the range (+2.3 to +2.7 cents) in which the actual change is likely to have occurred. The range given for the change is a 90 percent confidence interval that accounts only for sampling variability. If the range had contained zero (0), it would have been uncertain whether there was an increase or decrease; that is, the change would not have been statistically significant. For any comparison cited without a confidence interval, the change is statistically significant. The quarterly publication includes more detailed explanations of confidence intervals and sampling variability, along with additional measures of sampling variability.

DATA AVAILABILITY

This press release can be viewed today in page image format (.pdf) at the internet website <http://www.census.gov/csd/qfr/>. More detailed information on U.S. Manufacturing, Mining, and Wholesale and Retail Trade Corporations is available for downloading at our website under "QFR Products: Publication". The publication includes statements of income and retained earnings, balance sheets, and related financial and operating ratios. Data presented are classified by industry and asset size. The publication is available for sale from the Superintendent of Documents, P.O. Box 371954, Pittsburgh, PA 15250-7954 (202-512-1800). Fax orders to (202) 512-2250 or phone orders to (202) 512-1800 (8am-4:30pm EDT). The cost for an annual subscription is \$58 domestic and \$81.20 foreign. Data are also available on 3.5 inch diskettes from the U.S. Department of Commerce, Census Bureau (MS0801), P.O. Box 277943, Atlanta, GA 30384-7943 (301-763-INFO/301-763-4636). The cost for an annual subscription is \$80 domestic and \$105 foreign. The cost for a single diskette is \$50. All remittances from foreign countries must be by international money order or by draft on a U.S. bank.

This report is available on the day of issue on the Department of Commerce's Internet website at <http://www.census.gov/csd/qfr/>

After-tax profits of U.S. retail corporations with assets of \$50 million and over totaled \$12.9 billion in the second quarter 2004, up \$1.3 (± 0.1) billion from the preceding quarter and up \$3.3 (± 0.1) billion from the same quarter a year ago, the Commerce Department's Census Bureau reported. Sales in the second quarter 2004, at \$395.1 billion, did not show a statistically significant change from the \$393.3 billion of last quarter, but were up \$30.3 (± 2.5) billion or 8.3 percent ($\pm 0.7\%$) from the second quarter of 2003. These data are not adjusted for seasonality.

After-tax profits for these corporations averaged 3.3 cents per dollar of sales for the second quarter of 2004, up 0.4 (± 0.1) cents from the 2.9 cents of the preceding quarter and up 0.7 (± 0.1) cents from the 2.6 cents recorded in the second quarter of 2003.

The annual rate of after-tax profits on stockholders' equity was 16.8 percent, up 1.4 percent ($\pm 0.2\%$) from the 15.4 percent of the first quarter of 2004 and up 3.2 percent ($\pm 0.2\%$) from the 13.6 percent of the second quarter of 2003.

Table 1. Income Statement For U.S. Retail Trade Corporations - Assets \$50 Million And Over

Item	2Q 2004	1Q 2004 ¹	2Q 2003 ¹
	(million dollars)		
Net sales, receipts, and operating revenues	395,069	393,272	364,786
Less: Depreciation, depletion, and amortization.....	7,506	7,368	7,154
Less: All other operating costs and expenses	368,796	366,026	341,046
Income (or loss) from operations	18,767	19,878	16,586
Interest expense	3,744	3,569	3,115
Net nonoperating income (expense)	4,611	1,457	1,418
Income (or loss) before income taxes	19,635	17,766	14,888
Less: Provision for current and deferred domestic income taxes	6,757	6,237	5,277
Income (or loss) after income taxes	12,878	11,529	9,612
Cash dividends charged to retained earnings in current quarter.....	2,877	2,763	1,939
Net income retained in business	10,001	8,766	7,673
Retained earnings at beginning of quarter	214,004	211,331	194,161
Other direct credits (or charges) to retained earnings (net)	(3,446)	(7,202)	(2,617)
Retained earnings at end of quarter	220,559	212,895	199,216

Table 2. Income Statement Ratios For U.S. Retail Trade Corporations - Assets \$50 Million And Over

Item	2Q 2004	1Q 2004 ¹	2Q 2003 ¹
	(cents)		
Net sales, receipts, and operating revenues	100.0	100.0	100.0
Less: Depreciation, depletion, and amortization	1.9	1.9	2.0
Less: All other operating costs and expenses	93.3	93.1	93.5
Income (or loss) from operations	4.8	5.1	4.5
Interest expense	0.9	0.9	0.9
Net nonoperating income (expense)	1.2	0.4	0.4
Income (or loss) before income taxes	5.0	4.5	4.1
Less: Provision for current and deferred domestic income taxes.....	1.7	1.6	1.4
Income (or loss) after income taxes	3.3	2.9	2.6

Table 3. Operating Ratios For U.S. Retail Trade Corporations - Assets \$50 Million And Over

Item	2Q 2004	1Q 2004 ¹	2Q 2003 ¹
	(percent)		
Annual rate of profit on stockholders' equity at end of period:			
Before income taxes	25.64	23.78	21.12
After income taxes	16.82	15.43	13.64
Annual rate of profit on total assets:			
Before income taxes	10.29	9.43	8.42
After income taxes	6.75	6.12	5.43

¹Revised.